LEGISLATIVE LIBRARY OF BRITISH COLUMBIA
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BCIF MANAGEMENT LTD.

PERFORMANCE PLAN

FISCAL YEAR 2001 - 2004

I. Mission Statement:

BCIF Management Ltd. was incorporated to provide fund management services to the company's wholly owned subsidiary, the British Columbia Investment Fund Ltd. and to facilitate the approval of the fund as an Approved Fund under the Immigration Act and Regulations as prescribed in the Management Agreement attached to the Offering Memorandum of its subsidiary dated October 28, 1995.

II. Goals and Objectives:

BCIF Management Ltd. is principally a holding company for the British Columbia Investment Fund Ltd. In the original Offering Memorandum the Company was designated as both the Fund Manager and Distribution Agent. As such, the duties involved the following:

1. Investigating, seeking out and evaluating potential investment opportunities for evaluation and review by the Fund Manager;
2. coordinating investment activities of the Fund;
3. ensuring compliance with the requirements of provincial and federal authorities with respect to reporting as well as adherence to the Immigration Act and Regulations;
4. coordinating communications and reporting between Investors and the Fund;
5. managing the world-wide sales activities of the Fund including the preparation of promotional material and engaging, where required, sub-agents for the marketing and sales of Units;
6. coordinating activities between the Fund and the Escrow and Custodian Agent; and
7. generally overseeing the affairs of the Fund.

The Fund Management activities (items #1 and #2 above) and the Distribution activities (item #5 above) have been contracted out. The remaining activities are largely communications and reporting activities.

The Company receives a commission of up to 7% of the proceeds from the sale of bond units to prospective immigrants under the Immigrant Investor Program. All of the sales commission is distributed to the sub-agent, CIBC Hong Kong Ltd.

BCIF Management Ltd. also receives a management fee of up to 3% of the net book value of the fund. The company has contracted two private sector fund managers to provide these services, CWC Capital L. P. and ACM Fund Services Ltd.

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BCIF Management Ltd. operates on a break even basis to provide services to its subsidiary.

There are no plans to increase the scope of activities of the company and it is expected that the company will be wound up at the conclusion of the program (when the immigrant investors have been repaid at the end of their five year commitment). This could be as late as 2006.

III. Performance Measures:

The BCIF Management Ltd. has already achieved its primary purpose in that it enabled the start up of British Columbia Investment Fund Ltd. The company's other responsibilities have been effectively delegated to the private sector.

In terms of the sales activities, the Fund's offering period expired on March 31, 1999, and was fully subscribed at that time. Of the 100 subscribers, 75 have been issued bonds and are fully paid, 10 investors were either rejected by Citizenship and Immigration Canada or withdrew their applications and a further 15 are awaiting their interviews and the results. No further sales activity is permitted.

In terms of the investment activities, Immigration regulations require that a minimum of 70% of the gross proceeds are to be invested in approved projects. A total of $18.5 million has been invested to date with the balance being held in interest bearing accounts and Bankers Acceptances. This is in compliance with the regulations. As funds are received they will continue to be invested in new opportunities.

The performance of the Fund itself is outside the scope of activities of BCIF Management Ltd. The only performance measure (now that sales activities are complete and investments placed) that can be applied to the company are its cost effectiveness in its ongoing role as a reporting entity and holding company. In this regard, the company continues to provide reporting requirements (issuing dividends, sending out financial statements, quarterly reports to Ottawa, Securities commission filings on new closings) on a break even basis. Costs are managed according to existing contracts with portfolio managers and distribution agents. Within these constraints BCIF Management Ltd. is meeting its objectives.

Over the next three years BCIF Management Ltd. will continue to match its revenues and expenses at the break even level. Commissions paid/received are expected to be $196,000 for the coming year after which they will drop off to zero as the last few subscribers are issued their bonds. Management fees paid and received will reach $540,000 this year and remain at that level until 2003-04 when redemptions commence on the Series A bonds. The only other costs relate to mandatory legal and audit costs.

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IV. Consistency with Government Strategic Plan:

The activities of the company are consistent with the broader activities of MEI in promoting business class immigration to BC and Canada.

V. Resources:

All activities of the company are performed by MEI staff. The requirements are minimal and the company is not charged a fee.

VI. Directors and Officers:

Directors of the BCIF Management Ltd. are:

Chris Nelson - ADM, BCTIO
Mark Lofthouse - Director, Finance and Project Evaluation Branch

Officers of the Company are:

Chris Nelson - President
Mark Lofthouse - Secretary
Doug Callbeck - Treasurer